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SUBJECT: PROSPECTS FOR FOOD SECURITY COOPERATION WITH BRAZIL

¶1. (U) SUMMARY: As the world's second largest food exporter, one of the largest sources of arable land, and a long experience in developing new seed varieties and agricultural practices, Brazil is natural partner for addressing global food security. As part of the Economic Policy Dialogue (EPD) process the Mission has engaged the GOB on trilateral collaboration projects in Africa and Haiti, including the design of a joint project with USAID/Mozambique for agriculture research and innovation. The initiative is intended to promote more efficient and sustainable agricultural practices as well as reinforce growing U.S.-Brazilian cooperation in Africa. The Mission is also exploring mechanisms for partnering with U.S. companies in Brazil to expand the initiative, including collaboration in areas such as satellite imagery for land use, financing for agricultural input suppliers, and biotechnology. END SUMMARY.

Trilateral Cooperation in Mozambique

¶2. (U) As a result of the October 2008 EPD meeting in Brasilia, the USG and GOB agreed to expand cooperation between USAID and the GOB's development agency (ABC) into countries of common interests in Africa and Haiti. The first joint collaboration project has already been launched to support HIV/AIDs programs in Mozambique. USAID and GOB officials have both completed respective visits to Brazil and Mozambique to review current and planned projects, in order to determine the most appropriate means of collaboration. ABC and USAID will soon formalize this collaboration to include ABC financial support for a civil society program to compliment USAID/Mozambique and the Center for Disease Control (CDC) HIV/AIDs program in Mozambique.

¶3. (U) Regarding food security, ABC, Brazil's Organization of Agriculture Research (EMBRAPA), and USAID have formed a technical team to develop a collaborative program linking EMBRAPA to USAID's agriculture technology development and delivery portfolio in Mozambique. The technical team completed its initial assessment in Maputo in June 2009 and will meet again in late July to formalize a detailed project proposal for funding consideration in FY10. From the preliminary findings, the joint project is likely to focus on activities relating to seed systems and soil fertility.

Bringing in the Private Sector

¶4. (U) On July 7, the Ambassador met with Domingo Lastra, President of ADM Brazil, Marcelo Martins, President of Cargill Brazil, and Geraldo Berger, Regulatory Affairs Director for Monsanto Brazil, to discuss prospects for partnering with the U.S. private sector on food security. All three company representatives welcomed U.S.-Brazilian cooperation in Mozambique as an important first step and pledged to identify mechanisms for contributing know-how to the pilot agricultural research center.

15. (U) Looking beyond the pilot activity, ADM President Lastra suggested U.S.-Brazilian cooperation on satellite imagery as an additional potential area of collaboration. Lastra identified mapping as a key tool for maximizing efficient and sustainable land use, including the application of fertilizers and utilization of particular seed varieties to increase crop yields and minimize water use. He and Monsanto Director Berger noted that many agricultural technology companies have extensive expertise in analyzing such imagery, which they could potentially contribute to an expanded food security initiative.

Next Steps

16. (U) Ambassador Sobel encouraged the companies to further explore possible linkages between their commercial activities and USG-GOB collaboration. In particular, the Ambassador highlighted the World Bank, U.S. Export-Import Bank (EX-IM) and Trade Development Administration (USTDA) as potential sources of financing and feasibility studies to maximize agro-industrial output in Brazil and abroad. He also pointed out potential partnerships with the United Nations World Food Program (WFP) and the Food and Agricultural Organization (FAO).

17. (U) The company representatives agreed to more closely examine by July 30 how they might assist with an imagery cooperation initiative as well as identify possible partnerships with USG, GOB, and international agencies to increase global food security. Post will continue to follow-up on the Mozambique pilot initiative as well as potential private sector linkages and keep the Department informed.

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18. (U) This cable was coordinated with Embassy Brasilia.

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